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WISCONSIN ECONOMIC INDICATORS

JANUARY 1987

DILHR

DEPARTMENT OF
INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

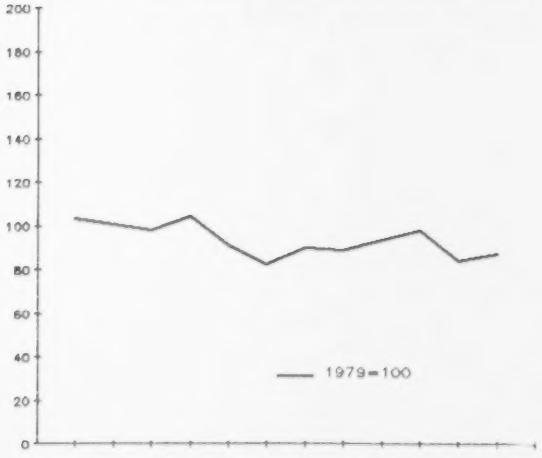
THE WISCONSIN ECONOMY

SUMMARY FOR DECEMBER

COMPOSITE INDEX

The composite index of Wisconsin's leading indicators rose moderately in December. While a large rise of the index was prevented by unfavorable trends in some leading indicators, the 2.8 point rise of the composite index was powered by favorable trends in the level of initial claims for unemployment compensation, in gains of business telephone primary access lines, and in an upward trend of the number of commercial and industrial building plans examined.

COMPOSITE INDEX
OF LEADING INDICATORS
JANUARY-DECEMBER 1986



LEADING INDICATORS

The average workweek in manufacturing inched up only slightly during December. The average number of hours worked per week by the state's production workers normally increases more in this month. However, the average workweek one month earlier was 41.9 hours, unusually high for November. December's 42.0 hours is the highest average in 1986.

The amount of overtime spent on the job remained unchanged from November to December. An increase of overtime is normal for the end of the year. But again, November's overtime average was above normal.

Coupled with the above-average workweek was a more resilient than usual manufacturing employment level. Manufacturing employment decreased by 36 hundred. For December, that's not severe. A decrease of 46 hundred would have been normal for this month.

The average number of workers making initial claims for unemployment compensation increased to 14,786 per week during December, a 24-hundred-plus increase. The initial claims average usually increases substantially in December and, in fact, an increase of over 31 hundred per week would have been in line this month.

The number of job openings received by state Job Service offices fell to 5,269 this month, about 230 more than the normal seasonal decline for December.

New business incorporations throughout the state increased by over 130 in December. The increase is large for December, but the growth is from an anemic incorporation count in November. This December's incorporation rebounded to about the normal level.

The net gain in business telephone access lines increased by more than the normal amount for this month. The net figure represents a gain of installations minus removals of primary access lines...extensions to already existing phones are not included. Thus, growth in this series indicates an increase in the number of business places throughout the state.

The number of building plans examined by state officials decreased in December, but, by less than the normal year-end amount. Plans for commercial and industrial buildings must be inspected for public safety.

A WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES Latest Month		Mo/Ago	Yr/Ago	% CHANGE Mo/Ago	Yr/Ago	AVG.
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS								
Seasonally Adjusted	INDEX	86.9	Dec	84.1	100.9	3.3	-13.9	8.43
L2 AVG. WORK WEEK, MFG.								
Unadjusted	HOURS	42.0	Dec	41.9	42.5	0.2	- 1.2	41.1
Seasonally Adjusted		41.3		41.6	41.8	-0.7	- 1.2	
L3 AVG. OVERTIME HOURS, MFG.								
Unadjusted	HOURS	3.8	Dec	3.8	4.1	0.0	- 7.3	3.3
Seasonally Adjusted		3.6		3.7	3.9	-2.7	- 7.7	
L4 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	NUMBER	14,786	Dec	12,372	14,811	19.5	- 0.2	10,380
Seasonally Adjusted		9,614		10,100	9,630	-4.8	- 0.2	
L5 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	5,269	Dec	6,006	6,997	-12.3	-24.7	8,228
Seasonally Adjusted		6,781		7,083	9,000	-4.3	-24.7	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	NUMBER	530	Dec	399	516	32.8	2.7	542
Seasonally Adjusted		526		412	513	27.7	2.5	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES								
Unadjusted	NUMBER	1,048	Dec	-282	4,890	476.6	-78.6	1,356
Seasonally Adjusted		1,464		1,289	2,388	13.6	-38.7	
L8 BUILDING PLANS EXAMINED								
Unadjusted	NUMBER	407	Dec	546	434	-25.5	-6.2	526
Seasonally Adjusted		551		515	588	7.0	-6.3	
ROUGHLY COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	INDEX	68	Dec	67	62	1.5	9.7	55
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	PERCENT	7.1	Dec	6.7	7.4	-	-	7.2
Seasonally Adjusted		6.8		7.2	7.0	-	-	
C3 NATURAL GAS SALES								
Unadjusted	MIL THERMS	272.1	Nov	152.9	301.3	78.0	-9.7	252.9
Seasonally Adjusted		236.8		201.7	262.2	17.4	-9.7	
C4 NEW CAR REGISTRATIONS								
Unadjusted	NUMBER	10,519	Dec	11,814	9,975	-11.0	5.5	16,697
Seasonally Adjusted		15,309		13,614	14,506	12.5	5.5	
C5 ELECTRIC POWER SALES								
Unadjusted	MIL KWH	1935.7	Nov	2020.6	1835.6	-4.2	5.5	1893.9
Seasonally Adjusted		1963.2		1990.7	1862.6	-1.4	5.4	
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL DOL	130.7	Dec	92.5	86.6	41.3	50.9	131.3
Seasonally Adjusted		138.0		68.8	91.4	100.6	51.0	

A WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1984
C7 MANUFACTURING EMPL.							
Unadjusted	THOUS	515.1 Dec	518.7	512.9	-0.7	0.4	515.2
Seasonally Adjusted		519.3	518.2	517.2	0.2	0.4	
C8 AVG. WEEKLY EARNINGS, MFG.							
Unadjusted	DOLLARS	442.68 Dec	439.11	448.38	0.8	-1.3	421.57
Seasonally Adjusted		428.54	433.05	433.99	-1.0	-1.3	
C9 CASH RECEIPTS FROM FARM MKTG.							
Unadjusted	MIL DOL	445.3 Sep	424.2	435.8	5.0	2.2	421.0
Seasonally Adjusted		445.7	419.6	436.4	6.2	2.1	
C10 CONTRACT CONSTRUCTION EMPL.							
Unadjusted	THOUS	64.1 Dec	68.4	62.0	-6.3	3.4	62.8
Seasonally Adjusted		65.1	63.2	63.0	3.0	3.3	
OTHER KEY INDICATORS							
X1 BIRTH REGISTRATIONS							
Unadjusted	NUMBER	5,615 Dec	5,338	5,414	5.2	3.7	6,141
Seasonally Adjusted		6,267	5,911	6,039	6.0	3.8	
X2 DEATH REGISTRATIONS							
Unadjusted	NUMBER	3,618 Dec	3,255	3,447	11.2	5.0	3,475
Seasonally Adjusted		3,808	3,377	3,627	12.8	5.0	
X3 NATURAL NET GAIN POPULATION							
Unadjusted	NUMBER	1,997 Dec	2,083	1,967	-4.2	1.5	2,666
Seasonally Adjusted		2,515	2,364	2,478	6.4	1.5	
X4 MARRIAGE REGISTRATIONS							
Unadjusted	NUMBER	1,816 Dec	2,705	1,879	-32.9	-3.4	3,360
Seasonally Adjusted		3,062	3,138	3,168	-2.4	-3.5	
X5 CONSUMER PRICE INDEX (MILW.)			(Sep)				
Unadjusted	INDEX	330.7 Nov	332.9	333.9	-0.7	-1.0	330.5
X6 PRICES RECEIVED BY FARMERS							
Unadjusted	INDEX	137 Dec	138	131	-0.7	4.6	133
Seasonally Adjusted		139	138	133	0.7	4.5	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES							
Unadjusted	NUMBER	-419 Dec	3,992	-204	-110.5	-105.4	1,615
Seasonally Adjusted		1,872	1,534	1,161	22.0	61.2	
X8 LABOR DISPUTES, NO. OF WORKERS							
Unadjusted	NUMBER	390 Dec	470	690	-17.0	-43.5	450
Seasonally Adjusted		553	656	986	-15.7	-43.9	
X9 UNEMPL. COMPENSATION EXHAUSTEES							
Unadjusted	NUMBER	22,130 Dec	22,588	24,923	-2.0	-11.2	26,616
Seasonally Adjusted		25,437	25,210	28,632	0.9	-11.2	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2438.9	2447.7	2389.7	- 0.4	2.1
Employment (Inc. Labor Disputes)	2266.4	2284.7	2213.6	- 0.8	2.4
Unemployment	172.4	163.0	176.1	5.8	- 2.1
Unemployment Rate	7.1	6.7	7.4	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2442.9	2449.5	2392.5	- 0.3	2.1
Employment (Inc. Labor Disputes)	2277.8	2273.3	2223.9	0.2	2.4
Unemployment	165.1	176.2	168.6	- 6.3	- 2.1
Unemployment Rate	6.8	7.2	7.0	-	-

WISCONSIN EMPLOYMENT ESTIMATES	(In Thousands)			Pct. Chg	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2041.3	2049.6	2001.0	- 0.4	2.0
Unadjusted					
Manufacturing	514.9	518.4	512.9	- 0.7	0.4
Mining	2.3	2.7	1.8	-14.8	27.8
Contract Construction	64.1	68.4	62.0	- 6.3	3.4
Transportation and Public Utilities	97.0	97.1	95.2	- 0.1	1.9
Elec., Gas and Sanitary Services	17.4	17.5	17.2	- 0.6	1.2
Wholesale Trade	99.0	99.4	99.1	- 0.4	- 0.1
Retail Trade	388.1	385.2	376.4	0.8	3.1
General Merchandise	51.5	50.5	50.9	2.0	1.2
Finance, Insurance and Real Estate	110.0	109.7	105.2	0.3	4.6
Banking	28.8	28.7	28.5	0.3	1.1
Insurance	37.1	37.0	34.6	0.3	7.2
Service and Miscellaneous	432.3	431.0	417.8	0.3	3.5
Hospitals	67.3	67.4	65.8	- 0.1	2.3
Private Education	23.4	24.2	24.2	- 3.3	- 3.3
Government	333.6	337.8	330.5	- 1.2	0.9
State Government	85.8	87.1	84.1	- 1.5	2.0
Local Government	219.4	222.3	218.7	- 1.3	0.3

UNITED STATES LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	118,586	118,675	116,333	- 0.1	1.9
Employment	110,637	110,432	108,149	0.2	2.3
Unemployment	7,949	8,243	8,184	- 3.6	- 2.9
Unemployment Rate	6.7	6.9	7.0	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* DECEMBER	(In Thousands) Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	514.9	518.4	512.9
All Manufacturing (Excluding Canning)	507.3	508.8	505.4
Durable Goods	314.1	315.2	317.3
Lumber and Wood Prod., (Except Furniture)	23.8	23.8	22.9
Sawmills and Planning Mills	3.3	3.2	3.3
Millwork, Veneer, Plywood & Prefab. Wood Prod.	11.5	11.5	10.8
Furniture and Fixtures	10.4	10.4	10.1
Household Furniture	4.4	4.3	4.4
Stone, Clay and Glass Products	7.7	8.5	7.5
Concrete, Gypsum and Plaster Products	3.5	4.4	3.5
Primary Metal Industries	18.4	18.5	19.1
Iron and Steel Foundries	9.8	9.9	10.2
Fabricated Metal Products	51.1	51.5	51.5
Heating Equipment (Except Electrical) & Plumbing Fixtures	6.1	6.2	5.8
Fabricated Structural Metal Products	11.7	11.9	12.6
Metal Stampings	10.7	10.8	10.9
Machinery (Except Electrical)	99.3	98.8	101.5
Engines and Turbines	19.6	19.5	18.9
Farm Machinery and Equipment	12.0	12.0	12.4
Const., Min. & Material Handling Mach. & Equip.	10.9	10.9	11.0
Metalworking Machinery and Equipment	11.2	11.1	11.9
Special Industry Machinery (Except Metalworking)	11.6	11.7	12.9
General Industrial Machinery and Equipment	13.6	13.6	13.6
Service Industry Machines	6.6	6.6	7.4
Electrical Machinery, Equipment and Supplies	49.3	49.6	49.9
Electrical Industrial Apparatus	16.6	16.7	17.6
Household Appliances	6.3	6.5	6.4
Transportation Equipment	32.8	32.8	33.4
Motor Vehicles and Equipment	24.9	24.7	26.1
Instruments and Related Products	11.2	11.3	11.6
Miscellaneous Manufacturing	10.1	10.1	9.7
Nondurable Goods	200.8	203.2	195.6
Food and Kindred Products	58.3	60.5	57.9
Meat Products	14.5	14.8	14.6
Dairy Products	17.3	17.3	17.4
Canning and Preserving	7.6	9.6	7.5
Bakery Products	4.7	4.6	4.2
Beverage Industries	7.7	7.7	7.7
Textile Mill Products	3.8	4.0	4.0
Knitting Mills	3.0	3.2	3.2
Apparel and Other Finished Products	7.2	6.9	6.6
Paper and Allied Products	48.8	48.9	48.1
Pulp and Paper Mills	29.5	29.7	29.5
Converted Paper and Paperboard Products	11.3	11.2	10.5
Paperboard Containers and Boxes	6.7	6.7	6.6
Printing, Publishing and Allied Industries	39.4	39.5	38.4
Newspapers	12.6	12.6	12.0
Commercial Printing	16.9	17.0	16.6
Chemicals and Allied Products	9.7	9.8	10.0
Rubber and Misc. Plastics Products	27.0	26.7	23.3
Miscellaneous Plastics Products	22.5	22.3	18.7
Leather and Leather Products	6.3	6.6	7.2
Leather Tanning and Finishing	1.5	1.5	1.7
Footwear (Except Rubber)	3.0	3.3	3.7
Other Nondurable Goods	-	-	-

Section

C WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* DECEMBER	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$443	$439	$448	42.0	41.9	42.5
All Manufacturing (Excl. Canning)	444	442	451	42.0	42.0	42.6
Durable Goods	452	448	462	42.4	42.1	42.7
Lumber/Wood Prod. (Exc. Furn.)	348	347	324	41.9	41.6	41.3
Furniture and Fixtures	349	339	335	42.9	42.8	42.9
Stone, Clay and Glass Products	401	404	414	42.6	42.7	42.5
Primary Metal Industries	454	442	447	44.6	43.6	44.4
Iron and Steel Foundries	453	441	461	45.7	44.4	45.7
Fabricated Metal Products	431	425	426	41.8	41.4	41.0
Fab. Structural Metal Prod.	486	470	459	47.0	45.5	44.6
Metal Stampings	448	442	421	40.7	40.4	39.3
Machinery (Except Electrical)	512	505	519	43.5	43.1	43.8
Engines and Turbines	598	587	565	45.2	44.6	43.2
Farm Machinery and Equip.	553	545	549	42.5	41.8	42.1
Const. and Related Mach.	497	472	521	45.9	43.5	45.6
Metalworking Mach. and Equip.	531	520	573	43.6	43.0	45.5
Spec. Ind. Mach. (Exc. Metal).	507	499	533	42.7	42.3	45.6
Gen. Industrial Mach. and Equip.	495	491	518	41.7	41.4	42.3
Electrical Mach., Equip. and Supp.	418	414	420	41.8	41.4	41.2
Electrical Industrial Apparatus	443	435	429	41.8	41.3	40.5
Transportation Equipment	554	575	626	40.8	41.7	44.4
Instruments and Related Prod.	367	356	380	41.1	40.1	41.9
Nondurable Goods	428	425	427	41.4	41.6	42.2
Food and Kindred Products	404	394	406	40.5	40.5	41.6
Meat Products	362	371	378	40.8	42.1	42.3
Dairy Products	402	412	395	40.2	41.2	40.6
Textile Mill Products	349	342	308	44.2	44.9	41.5
Apparel and Other Fin. Prod.	236	253	250	37.4	39.6	39.5
Paper and Allied Products	566	574	560	45.6	46.3	46.7
Pulp and Paper Mills	611	619	592	46.2	47.0	46.8
Printing, Pub. and Allied Prod.	434	424	440	38.7	38.4	39.8
Chemicals and Allied Products	472	478	445	41.0	41.7	41.1
Rubber and Misc. Plastics Prod.	328	324	337	40.2	40.1	40.4
Leather and Leather Products.	263	255	250	39.4	38.5	39.1

Section

C WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* DECEMBER	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.54	10.48	10.55	10.07	10.02	10.05
All Manufacturing (Excl. Canning)	10.57	10.53	10.58	10.10	10.08	10.08
Durable Goods	10.67	10.65	10.81	10.23	10.23	10.33
Lumber/Wood Prod. (Exc. Furn.)	8.30	8.33	7.84	8.02	8.03	7.66
Furniture and Fixtures	8.13	7.92	7.80	7.78	7.74	7.46
Stone, Clay and Glass Products	9.42	9.45	9.73	9.14	9.19	9.39
Primary Metal Industries	10.17	10.14	10.06	9.73	9.72	9.58
Iron and Steel Foundries	9.91	9.94	10.09	9.53	9.55	9.68
Fabricated Metal Products	10.31	10.27	10.40	9.90	9.88	9.93
Fab. Structural Metal Prod.	10.33	10.34	10.29	9.75	9.83	9.68
Metal Stampings	11.00	10.93	10.70	10.63	10.60	10.34
Machinery (Except Electrical)	11.78	11.71	11.85	11.20	11.19	11.36
Engines and Turbines	13.24	13.16	13.07	12.29	12.30	12.41
Farm Machinery and Equip.	13.01	13.03	13.04	12.48	12.56	12.61
Const. and Related Mach.	10.82	10.85	11.43	10.34	10.53	11.01
Metalworking Mach. and Equip.	12.18	12.10	12.59	11.66	11.63	11.83
Spec. Ind. Mach. (Exc. Metal).	11.87	11.80	11.68	11.37	11.31	10.93
Gen. Industrial Mach. and Equip.	11.86	11.87	12.25	11.52	11.56	11.86
Electrical Mach., Equip. and Supp.	10.01	10.01	10.19	9.74	9.76	9.79
Electrical Industrial Apparatus	10.59	10.54	10.59	10.52	10.52	10.27
Transportation Equipment	13.59	13.79	14.11	13.07	13.17	13.33
Instruments and Related Prod.	8.92	8.89	9.06	8.70	8.71	8.88
Nondurable Goods	10.34	10.21	10.13	9.82	9.68	9.58
Food and Kindred Products	9.98	9.72	9.76	9.46	9.19	9.22
Meat Products	8.87	8.82	8.93	8.46	8.43	8.37
Dairy Products	9.99	9.99	9.73	9.52	9.45	9.29
Textile Mill Products	7.89	7.61	7.43	7.54	7.24	7.19
Apparel and Other Fin. Prod.	6.32	6.40	6.33	6.20	6.23	6.19
Paper and Allied Products	12.41	12.40	11.99	11.76	11.74	11.35
Pulp and Paper Mills	13.22	13.18	12.64	12.53	12.51	12.00
Printing, Pub. and Allied Prod.	11.21	11.05	11.06	-	-	-
Chemicals and Allied Products	11.52	11.46	10.83	11.23	11.15	10.59
Rubber and Misc. Plastics Prod.	8.16	8.09	8.35	7.83	7.77	8.02
Leather and Leather Products.	6.67	6.62	6.40	6.54	6.49	6.19

Section

C SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers (Unadjusted) DECEMBER	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$411	$401	$406	41.7	41.0	41.7	9.86	9.77	9.74	-	-
Wisconsin	443	439	448	42.0	41.9	42.5	10.54	10.48	10.55	10.07	10.02
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	453	452	466	42.6	42.8	45.4	10.64	10.55	10.27	10.16	10.07
Beloit (City)	432	421	400	41.3	40.8	41.6	10.47	10.32	9.62	-	-
Eau Claire (Eau Claire-Chippewa)	428	430	418	41.0	41.1	40.2	10.43	10.45	10.39	10.12	10.17
Fond du Lac (County)	438	436	406	44.6	43.9	42.0	9.83	9.93	9.66	9.26	9.34
Green Bay (Brown County)	494	480	507	42.4	42.1	44.2	11.66	11.39	11.48	10.74	10.61
Janesville (City)	501	556	661	38.4	41.2	45.5	13.05	13.50	14.52	12.98	13.26
Janesville-Beloit (Rock County)	472	502	562	39.1	41.0	44.3	12.06	12.24	12.68	11.82	11.88
Kenosha (County)	476	482	482	40.8	41.2	40.4	11.66	11.71	11.94	11.17	11.12
La Crosse (County)	371	375	382	39.4	40.1	41.2	9.41	9.35	9.27	9.03	8.81
Madison (Dane County)	398	395	411	40.5	40.5	41.8	9.83	9.76	9.84	9.50	9.44
Manitowoc (County)	402	381	399	41.3	40.4	41.0	9.74	9.42	9.72	9.45	9.14
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	494	490	502	42.3	41.8	42.5	11.69	11.72	11.82	11.06	11.09
Racine (County)	454	447	438	41.9	41.5	40.5	10.83	10.77	10.82	10.46	10.45
Sheboygan (County)	420	403	391	42.9	42.0	41.6	9.79	9.59	9.39	9.41	9.22
Wausau (Marathon County)	410	419	417	42.1	43.1	42.2	9.74	9.71	9.87	9.27	9.21

EMPLOYMENT, MFG. (Unadjusted)	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,182.0	19,216.0	19,272.0	-0.2	- 0.5
Wisconsin	514.9	518.4	512.9	-0.7	0.4
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	48.8	48.9	49.4	-0.2	- 1.2
Beloit (City)	4.5	4.5	5.4	0.0	-16.7
Eau Claire (Eau Claire-Chippewa)	10.0	10.1	9.4	-1.0	6.4
Fond du Lac (County)	10.0	10.0	9.8	0.0	2.0
Green Bay (Brown County)	23.4	23.9	23.3	-2.1	0.4
Janesville (City)	10.7	10.7	11.0	0.0	- 2.7
Janesville-Beloit (Rock County)	16.9	17.2	18.2	-1.7	- 7.1
Kenosha (County)	11.4	11.4	12.4	0.0	- 8.1
La Crosse (County)	10.5	10.5	10.9	0.0	- 3.7
Madison (Dane County)	21.5	21.7	20.8	-0.9	3.4
Manitowoc (County)	11.3	11.8	10.6	-4.2	6.6
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	172.1	171.4	171.7	0.4	0.2
Racine (County)	23.1	23.2	24.1	-0.4	- 4.1
Sheboygan (County)	18.4	18.5	18.0	-0.5	2.2
Wausau (Marathon County)	11.3	11.3	11.0	0.0	2.7

EMPLOYMENT 1987: SORTING-OUT A FORECAST

Multiple choice question: Which of the following has given 1987 a dramatic start?

a. the dollar dropped sharply
b. the stock market, in a protracted rise, changed over 100 points in one day after reversing directions
c. auto sales dropped sharply and oil prices rose sharply

Answer: All of the above for an unemployed job seeker, all of the above for a corporate personnel recruiting office, and all of the above for an economist analyzing labor market trends.

While all of these dramatic events do have an impact on the employment situation--some directly, others indirectly, some of the events are positive, some negative.

The sharp, but selected, drop in the dollar's value, for example, should stem the flow of imports, increase exports, and thus, bolster manufacturing employment in this country. Such a turnaround takes time, however. Old economic problems such as debt and trade levels remain with us at even higher levels.

Stock market increases not only give the economy a psychological boost, but also supply investment capital needed to make U.S. industry competitive and, thus, preserve jobs. Yet, some people are worried by the parallels of our current financial state to that of the late 1920's.

Rising prices and less spending by consumers translate to this equation: less consumption equals job loss. Yet, only one of the usual leading indicators of recession, consumers' ability to continue spending, is flashing a yellow warning light.

In this economic environment, economists are asked to forecast the new year's economic outlook.

Nineteen eighty seven has one overwhelming popular economic forecast, a consensus that continued sluggish growth is ahead.

This "continued sluggish growth" forecast seems to belie the dramatic economic events that have occurred in recent weeks.

This leads skeptics to ask -- "Does anyone really know what might happen?" Economists seem to be "poor at forecasting short term changes in the economy."

Generally, the concensus forecast is premised on one event -- a significant decline in our trade deficit occurring during 1987.

Some economists feel a recession must be avoided at all costs as combined with record debt levels, a recession might be severe. They assume monetary accommodation by the Federal Reserve Bank will assure economic growth this year.

Despite the uncertainties mentioned above forecasts seem to serve a useful purpose if they also focus attention on what could cause them to be off the mark and the items mentioned above certainly could alter the conventional forecast of continued sluggish economic growth.

<u>What Is The Wisconsin Economy Likely To Do In 1987?</u>

The state's Department of Industry, Labor and Human Relations continues to see no significant improvement or

deterioration in the Wisconsin economy as measured by labor force employment and unemployment levels and rates.

State unemployment claims continue to be lower than levels experienced in the previous two years, indicating no recession is on the immediate horizon. However, balancing this improvement is is the fact that the Department continues to receive a low number of job openings at its Job Service offices. This indicates no boom is apparent in the immediate future either.

Additionally, the economy continues to face a large number of economic problems and potential crises which must be handled adequately by state, national and international financial institutions and governments. This forecast assumes they will be minimized or resolved.

Expected Change in the Labor Force Figures -- 1986-1987

Levels	1985	Expected 1986	Projected 1987
Labor Force	2,374,000	2,405,000	2,415,000
Unemployment	171,000	170,000	169,000
Employment	2,203,000	2,235,000	2,246,000
Un. Rate	7.2%	7.1%	7.0%

Local Area Analysts Expect Growth to Continue in 1987

DILHR has seventeen local area labor market analysts stationed around the state. Most expect continued growth in 1987, but perhaps at a slower rate than in 1986.

Asked what they expected their local economies will do employment-wise this year, overwhelmingly the analysts expected continued growth. Only one local area expected a decline, two expected employment levels to remain the same. Most expected gains to occur in the service sector, with the majority expecting this service growth to be either less than in 1986, or harder to achieve than in 1986. The shift from jobs with high average weekly earnings to jobs with lower earnings was expected to continue.

Employment Level Revisions Reveal Greater Shift to Service Production In 1985 and 1986

The movement from goods production jobs to service producing jobs has been well documented.

Revisions to DILHR employment data indicate this trend was somewhat stronger than previously released data for 1985 and 1986 indicated.

The estimated number of nonfarm wage and salary jobs provided by Wisconsin's economy back in 1985 was revised upward moderately. Ninety percent of this increase occurred in the service sector.

Revisions show that the construction industry added more jobs in 1985 while manufacturing and mining job levels where revised downward.

All of the private sector service groups have upward revisions in job levels except finance, insurance and real estate, which was reduced very slightly. Estimates of government employment levels also were reduced.

For all of 1986 the average yearly job level estimate was almost unchanged, increasing from 2,014,100 to 2,014,800 jobs. Major offsetting changes occurred as goods production job levels were reduced and service sector job levels were revised upward.

Manufacturing levels are being revised downward for 1986 with the revision occurring in metal working durable goods industries. What, based on preliminary data, had appeared to be a slight gain for manufacturing will now

(Continued on back cover)

Wisconsin Nonfarm Wage and Salary Job Levels
Annual Averages
January 1987

	SIC Code	1985r	Projected 1986p	Number Change 84/85	Number Change 85/86	Percent Change 84/85	Percent Change 85/86
Nonfarm Wage & Salary		1,983.1	2,014.8	+33.9	+31.7	+1.7	+1.6
Mining	10-14	1.9	2.0	+0	+0.1	+0.0	+5.0
Construction	15-18	64.6	63.8	+1.4	-0.8	+2.2	-1.2
Manufacturing	20-39	513.9	512.6	-5.0	-1.3	-1.0	-0.3
Durable Goods	-	315.5	310.3	-7.0	-5.2	-2.2	-1.7
Lumber & Wood	24	22.9	23.3	+0.5	+0.4	+2.2	+1.7
Furniture & Fixtures	25	9.8	10.4	+0	+0.6	+0.0	+5.8
Stone, Clay & Glass	32	7.9	+0.1	+0.2	+0	+2.5	+0.0
Primary Metals	33	19.5	19.0	-0.4	-0.5	-2.1	-2.6
Fabricated Metal	34	51.4	51.5	-0.5	+0.1	-1.0	+0.2
Machinery, Nonelectric	35	100.5	98.7	-1.4	-1.8	-1.4	-1.8
Electric & Electronic	36	49.9	48.5	-2.2	-1.4	-4.4	-2.9
Transportation Equipment	37	32.3	30.6	-3.0	-1.7	-9.3	-5.6
Instruments & Related	38	11.4	11.4	+0.2	+0	+1.8	+0.0
Misc. Mfg.	39	9.8	9.2	-0.2	-0.6	-2.0	-6.1
Nondurable Goods	-	198.4	202.2	+2.0	+3.8	+1.0	+1.9
Food & Kindred	20	61.6	62.1	-0.6	+0.5	-1.0	+0.8
Textile Mills	22	4.2	3.9	-0.1	-0.3	-2.4	-7.7
Apparel & Other Textile	23	6.2	6.5	-0.2	+0.3	-3.2	+4.6
Paper & Allied	26	48.0	49.0	+0.5	+1.0	+1.0	+2.0
Printing & Publishing	27	38.1	39.6	+1.5	+1.5	+3.9	+3.8
Chemicals & Allied	28	10.0	10.6	+0.3	+0.6	+3.0	+5.7
Petroleum & Coal	29	.3	.3	+0	+0	+0.0	+0.0
Rubber & Misc. Plastics	30	22.4	23.3	+1.2	+0.9	+5.4	+3.9
Leather	31	7.6	6.9	-0.5	-0.7	-6.6	-10.1
Trans. & Public Utilities	40-49	94.2	92.9	+2.3	-1.3	+2.4	-1.4
Trade	50-59	465.1	477.8	+12.3	+12.7	+2.6	+2.7
Wholesale Trade	50-51	99.8	100.4	+1.7	+0.6	+1.7	+0.6
Retail Trade	52-59	365.3	377.4	+10.6	+12.1	+2.9	+3.2
Finance, Ins & Real Estate	60-69	103.8	107.7	+2.5	+3.9	+2.4	+3.6
Services	70-89	419.0	432.9	+14.6	+13.9	+3.5	+3.2
Government	91-97	320.6	325.1	+5.9	+4.5	+1.8	+1.4
Federal Government	-	27.7	28.4	+0.9	+0.7	+3.2	+2.5
State Government	-	82.9	83.5	+2.5	+0.6	+3.0	+0.7
Local Government	-	210.1	213.2	+2.5	+3.1	+1.2	+1.5
Labor-Mgmt. Disputes	-						

r = Revised
p = Preliminary
SIC: Standard Industrial Classification Code Number

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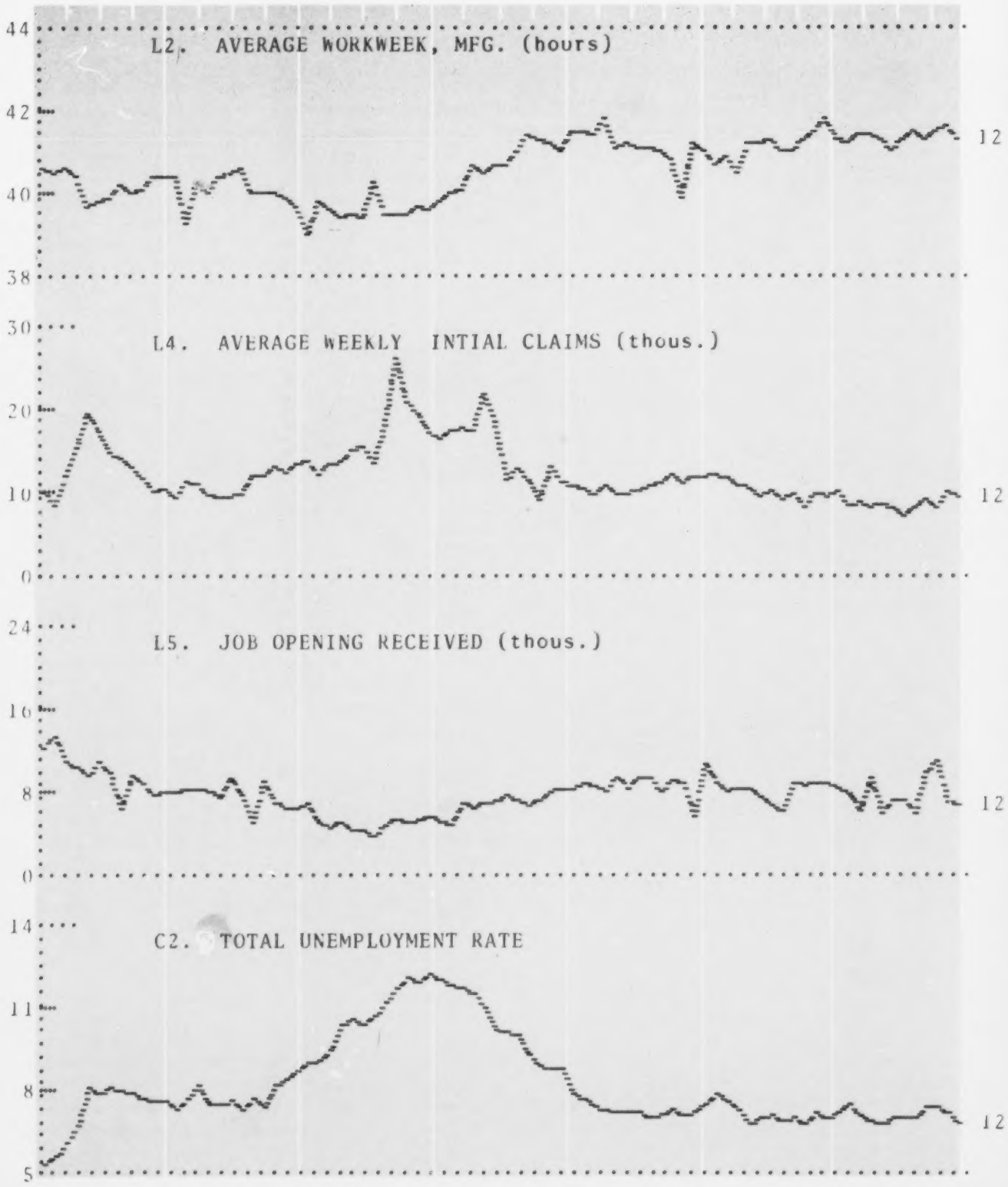

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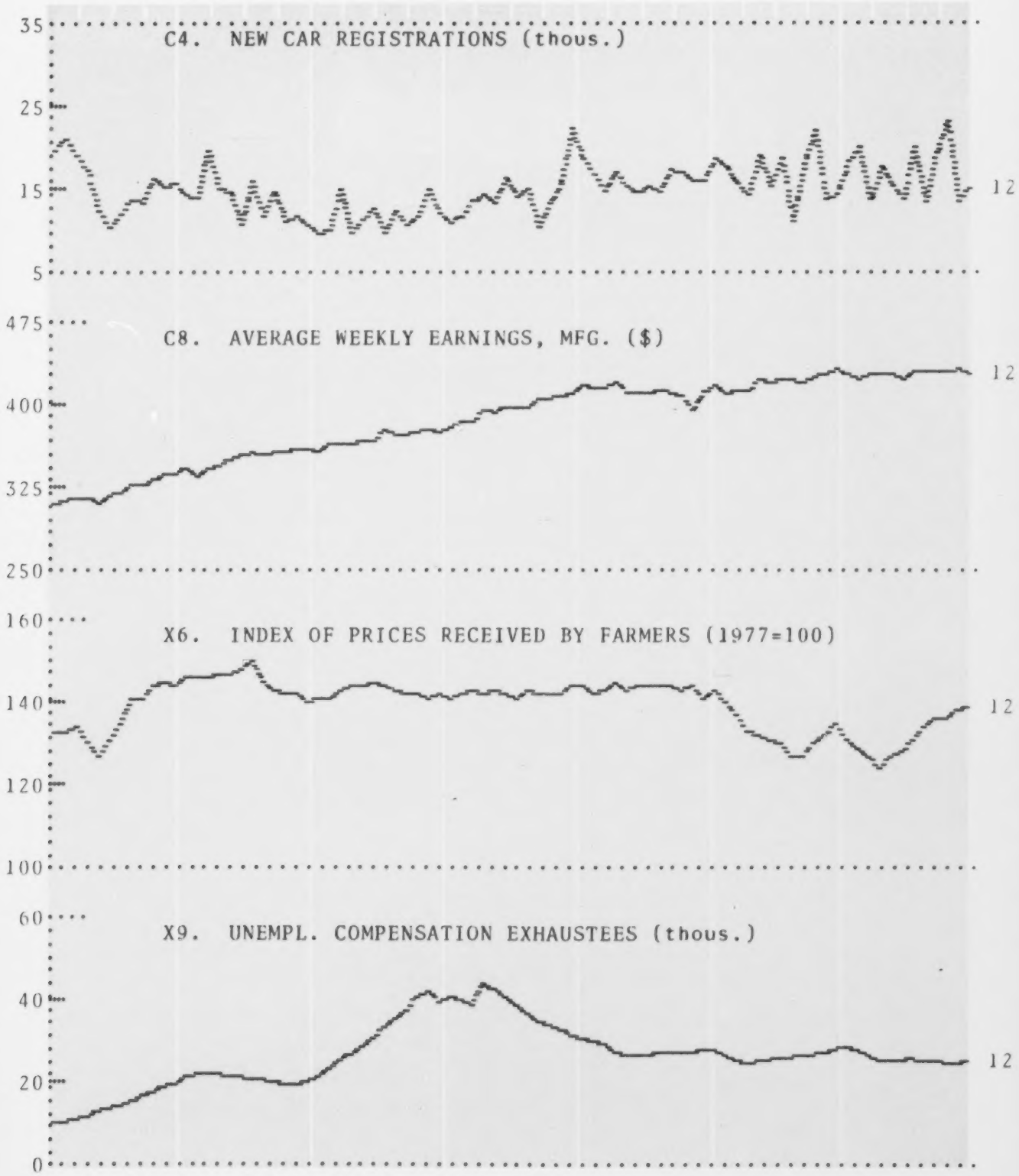

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be reported as a slight decline. While the turn of events is disappointing, the decline for 1986 is smaller than the 1985 job loss in manufacturing, as the nondurable group developed more jobs during 1986.

Service sector growth continued to be substantial in 1986, but was slightly less robust than in 1985.

Transportation, Communication and Public Utilities gained jobs in 1985, while the group declined in 1986.

Wholesale Trade gained only a few jobs in 1986, after a better performance in 1985. Together these two groups accounted for the reduced performance of the Service Sector in 1986.